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SUBJECT: PROMISING CAMBODIAN UNION'S DECLINE HIGHLIGHTS
COMMON UNION FAILINGS

REF: PHNOM PENH 814

¶1. (SBU) SUMMARY. The Coalition of Cambodian Apparel Workers Democratic Union (CCAWDU), which was once one of the country's most respected unions, has plummeted in stature following the dismissal of former union president Chhorn Sokha. Embassy persuasion has been required on several occasions to prevent or reverse unwise and sometimes illegal actions. While the Cambodian labor movement has made remarkable progress since its inception ten years ago, CCAWDU's dramatic reversal highlights unions' immaturity and the vulnerability of Cambodian workers to union leaders who are sometimes unscrupulous and often inexperienced. END SUMMARY.

Dynamic Female Leader Pushed Out

¶2. (U) Since its formation in 2000, CCAWDU has been hailed as a transparent and well-run union that promoted the election of women as union leaders and was free from partisan political connections. In a country where some unions are known for accepting bribes, using violence to intimidate non-members, and holding frequent illegal strikes, and where nearly all garment sector unions have mostly male officers leading an overwhelmingly female workforce, CCAWDU was a promising breath of fresh air that many labor observers hoped was a harbinger of future union developments.

¶3. (SBU) In contrast to this promising start, a CCAWDU election defeat and leadership struggle has pushed the well-respected female former president Chhorn Sokha out and left a less experienced and rash man, Ath Thorn, in her place. Throughout the fall of 2005, Chhorn Sokha and Ath Thorn waged battle, trading charges of corruption and financial mismanagement. In February 2006, a CCAWDU fact-finding committee dismissed Chhorn Sokha from CCAWDU in a move that surprised and angered many international observers, who saw her as the victim of Ath Thorn's personal ambitions and unfounded allegations.

Flying Dragon Factories: Widespread Strike Threatened

¶4. (SBU) Under Ath Thorn's leadership, CCAWDU has shed the transparency and pragmatism that were once its hallmarks. In March, Ath Thorn called the embassy to announce his plans to lead 20 workers in a march to the embassy and hold a press conference outside the embassy to call attention to an on-going labor dispute at the Flying Dragon garment

factories, which produce garments for mostly US-based buyers.

Rather than utilize the long-standing relationship between the embassy and CCAWDU to highlight the case and discuss ways to resolve the dispute, Ath Thorn failed to even alert the embassy to the increasingly serious dispute and instead rushed to leverage the embassy's high public profile in a dispute that was really between Cambodian workers and Hong Kong-based factory owners. The embassy persuaded Ath Thorn to cancel these plans and delivered a sharp rebuke, reminding the union that the US Embassy was one of the labor movement's strongest supporters in Cambodia and asking to be engaged in helping to resolve disputes rather than implicitly being blamed for them.

15. (SBU) A few days later, CCAWDU tried another tactic, threatening to expand their strike from the Flying Dragon factories to other factories with a CCAWDU union presence, potentially involving 25,000 workers and causing considerable alarm among garment factory owners. Econoff and FSN Labor Assistant persuaded CCAWDU to negotiate with management, and worked with the Garment Manufacturers Association of Cambodia (GMAC) to offer more respected industry leaders to help negotiate with Flying Dragon management, in whom the union had lost confidence.

Goldfame Factory: Strikes Held in Defiance of Judicial Rulings

16. (SBU) More recently, Embassy learned that 10,000 CCAWDU members were striking at the Goldfame garment factory despite two rulings from the Arbitration Council and one from municipal court declaring the strike to be illegal and ordering the strikers to return to work. Stressing the

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importance of the Arbitration Council as a uniquely transparent labor dispute resolution body, Econoff persuaded union leadership to return to work on May 18 pending further negotiations with factory management. FSN Labor Assistant monitored the opening of business the next day to help encourage a smooth return of the workforce. CCAWDU now reports that major areas of contention have been resolved, but negotiations continue on smaller matters.

CCAWDU Moves Towards Pro-Opposition Unions

17. (U) Finally, in another dramatic change, CCAWDU has abandoned its formerly nonpartisan stance to ally itself with the leading pro-opposition Free Trade Union (FTU) and Cambodian Independent Teachers Association (CITA). These organizations have a part-union, part-political agenda, with leaders -- particularly Rong Chhun of CITA -- who speak out on a variety of social and political issues. CCAWDU recently joined FTU and CITA in a May Day march that proceeded despite being denied permission from city officials (reftel) and joined their calls for a general strike if the government fails to meet their demands of higher wages for teachers and garment factory workers, a shorter workweek, and lower gasoline prices. Labor observers have speculated that Ath Thorn seems to be seeking guidance from Chea Mony, the leader of the FTU.

18. (SBU) COMMENT: The Cambodian labor movement has made remarkable progress since 1997 when the first independent unions were established. Garment and tourism sector unions have racked up impressive labor victories, and the labor movement is the largest, most powerful, and most indigenous part of civil society. Nonetheless, CCAWDU's swift decline serves as a reminder that Cambodia's unions remain adolescent organizations facing significant obstacles. Union leaders confront a variety of challenges and temptations, including lack of training and experience, fear of losing member enthusiasm during protracted negotiations, few accountability procedures within unions, constant temptation to trade

factory bribes for labor peace, and frustration with the non-binding nature of arbitral awards. Cambodia's much-touted labor rights generally protect unions from undue government interference, but do not always protect workers from poor union managers and unscrupulous leaders. END
COMMENT.
STORELLA